

STATE OF MAINE
PUBLIC UTILITIES COMMISSION

Docket No.2002-223

JULY 19, 2002

ALFRED WATER DISTRICT
Request of Waiver of Certain Provisions
Of Chapter 650 For Extension For Providing
Water Service to the York County Jail

ORDER
APPROVING WAIVER

WELCH, Chairman; NUGENT and DIAMOND, Commissioners

I. SUMMARY

On April 22, 2002, Alfred Water District (District) filed its request for two exemptions from section 3(C) of Chapter 650 of the Commission's Rules. The requested exemptions are in conjunction with a plan to construct capital improvements and a water main extension necessary to provide water service to the York County Jail. The District will finance a portion of the project with the debt service costs to be reimbursed by York County (County).

II. BACKGROUND

The County is currently engaged in the construction of a new jail facility in Alfred, Maine. The County has requested that the District's system be upgraded and extended to serve the jail. The Town of Alfred has secured a \$400,000 Community Development Block Grant (CDBG) to fund the cost of the service line for the jail and a portion of the cost of the water main extension and system upgrades. The District will obtain a Rural Development Authority Loan (RDA Loan), part of which will be used to fund the water main extension costs in excess of \$400,000. The County will reimburse the District for the expenses, principal and interest payments on the portion of the RDA Loan used to finance the excess costs.

Because CDBG funds will be used to finance a sizeable portion of the main extension and improvements, the District, County and Town have requested two waivers from Chapter 650, § 3(C). First, they have requested a waiver from the requirement of section 3(C) that the "applicant" for a main extension must pay for the costs of providing the extension. The District, County and Town have also agreed that future customers connecting to this main extension shall not be required to pay a customer contribution towards the cost of the extension. Accordingly, they have requested a waiver from the requirement of section 3(C) that new customers connecting to the main extension must make a customer contribution. Because there will be no contributions from future customers taking service from the line, it follows that no refunds will be paid to the County or any other customer or to the Town.

The Commission, by its Order in Docket No. 87-10 has delegated to the Director of the Technical Analysis Division the authority to approve exemptions to Chapter 650 of the Commission's Rules. The delegation order requires that the Director of Technical Analysis obtain unanimous consent of the Directors of the Finance, Legal, and Consumer Assistance Divisions prior to approving any exemptions.

III. DECISION

I have consulted with the Division Directors and we are in agreement that the Alfred Water District is hereby granted two exemptions from the requirements of Chapter 650, § 3(C), as described above, in the attached Request for Waiver dated June 20, 2002 and the attached Agreements dated June 25, 2002.

By Order of the Director of Technical Analysis

Faith Huntington
Acting Director
Technical Analysis Division

CONSENT BY:

Mitchell Tannenbaum, Legal Division
Rich Kania, Finance Division
Derek Davidson, Consumer Assistance Division